Chapter Twenty-four

INDUSTRY AND TRADE IN SOUTHEAST ASIA

If "industry" be taken to include all activities connected with processing, then there is more industry in Southeast Asia than appears at first glance, though not much manufacturing in mechanised factories may be found. The territory is, however, overwhelmingly agricultural and in almost every part of the region it is subsistence agriculture which employs and sustains the largest number of people. Much manual processing is done by these subsistence agriculturists on their own little farms to prepare their production for their family consumption.

Cottage Industries

The tradition of being self-supporting in each territory, the national counterpart of individual subsistence farming, is very strong even today, finding expression in the widespread cottage industry of weaving and in that Southeast Asia custom of making a single length of span-broad, hand-made cloth the basis of a skirt-like dress—the *sarong*, *lungyi*, *panung* and so on. Today this domestic weaving, where it has managed to persist in spite of competition from cheap imported cloths, uses imported cotton yarn, although parts of Burma still weave homegrown silk, and Siam and Indochina continue home-weaving on the basis of Indochinese silk. Only in Java has the "cottage industry" become elaborated into a village factory industry for a more intensified and commercialised production of sarongs. Ninety-two per cent of Java's *batik sarongs* (printed cotton skirts worn by men and women alike) come from factories of less than 80 workers each; this specialised process of dyeing in patterns defined by wax is now done by the small factory working upon imported cotton cloth.

The other considerable domestic industry deriving from the subsistence tradition is that of making innumerable varieties of articles from plaited palm leaves. Containers of many sorts, hats, domestic utensils, house walls, mats, fish traps and agricultural

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weaving factories in Java, were the leading developments in local textile industries, but the bulk of cloth and even of raw cotton has been brought in from abroad. Just before the war Southeast Asia was absorbing textiles to the value of well over $300 million per annum; much of it was cheap cloth from Europe, India and Japan, but there was a substantial need for the very finest cotton cloth produced anywhere and quite an exacting local standard of qualities. Should this huge demand for textiles stimulate local industry within the new nationalist units, Burma, Siam and Indochina may improve the quality and output of their present scanty and very inferior raw cotton.

Road and rail management, engineering maintenance and port industries form a leading group of mechanical industries directly affecting local techniques and introducing forms of industrialisation on western lines. The capital equipment for these activities is imported as are nearly all metal manufactures for other purposes. Manufactured goods form the largest single category of goods moving into Southeast Asia, to a total of nearly $500 million annually before the war. These manufactured imports chiefly went to urban consumers, yet simple farming tools and articles like needles and scissors went in large quantities far into every country. Although this category was broad, the components were very varied so that the value of each ranked comparatively low. Manufactured articles of western type showed little sign of being made locally, except in Java where successful attempts at making electric equipment had gone on for some years to supply the Southeast Asia markets with very cheap electrical goods like lamps and filaments, suggesting the possibility that Java may become industrialised on the Japanese pattern for mass production methods, and using part-time or women workers. In neighbouring territories, however, there are no such immediate prospects because labour has proved costly in proportion to its skill.

Mining Industries and Prospects

Mining industries of great value have developed in Malaya, Burma, Sumatra, Borneo, the Philippines and the small islands east of Sumatra. Tin and petroleum have been the region's specialities so far and these have assumed great importance, combining to be chiefly responsible for the prewar annual exports of about $650 million of mineral products from Southeast Asia

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504 River, which, though possessing adequate depth for vessels up to 30 feet in
361 draft, has a sinuous channel, which prevents ships longer than 550 feet from ascending to the port. The strong scour of the semidiurnal tides reduces the necessity for dredging. The port occupies about three miles of the right bank of the river and is divided into three sections. Overseas trade is handled by the quays between the Arroyo Chinois and the Canal de Dérivation, in the Khan Hoi district; smaller vessels use the quays nearer the city; and the naval port lies farthest upstream, close to the Arroyo de l'Avalanche. Lighters convey cargoes from ships anchored in the river below the city to wharves along the Arroyo Chinois and the Canal de Dérivation, the twin waterways that link Saigon with Cholon. Before 1939, Saigon handled about 40 per cent of the total foreign trade of Indochina; rice formed about 50 per cent by weight of the exports. At the present time the military operations taking place in the country have greatly reduced the trade of Saigon, and the rice export is only some 100,000 tons a year.

Bangkok alone of all the ports is still inaccessible to large ocean-going vessels. A bar at the mouth of the Menam Chao Phraya prevents entry, and the terminal for large vessels has long been Gaw Si Kang, an island in the Gulf of Siam east of the river mouth. From Gaw Si Kang strings of lighters are drawn by tugs to the wharves of Bangkok, which extend for about six miles along the left bank below the Grand Palace. The dredging of the bar to allow ocean-going vessels to reach the port would have presented no great difficulties, but opposition from the lightering interests prevented anything from being done until shortly before the war, when work was begun on a new port at Klong Toi, about five miles below the city. It is now proposed, as part of a plan to expand rice cultivation in Thailand, to deepen the channel so that vessels of 26-foot draft can ascend to the port. Bangkok has an almost complete monopoly of the foreign trade of Thailand, and in a real sense it is the only port of the country.

Industrial Development

32 The five cities contain a large proportion of the total industrial capacity
361 of their respective territories. Industry is well represented, though much of
38 it is better described as processing than as manufacturing, and its range of
39 activities is continually increasing. The primary processing of foodstuffs and raw materials is dominant; rice milling is particularly important, except in Singapore, but rubber, copra, sago, tapioca, hemp, sugar, and tobacco all assume considerable local significance. A beginning has been made with the higher stages of manufacturing, such as rubber products and even foam

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rubber, in Singapore; other manufactures are furniture, boats, footwear, glass, bricks and tiles, oils and soaps, electric batteries, and certain chemical products. Manufacturing industries proper use relatively little machinery and power and produce for the home market, in which there is a considerable element of local protection. Food and drink industries are well developed (including brewing and distilling); textiles are poorly developed. Heavy industry is confined to the repair and refitting of vessels. All the ports have forges and foundries for making minor repairs; Singapore and Jakarta, which have dry-dock facilities, can undertake more extensive work. Repair shops for maintenance of railway equipment are located in all the cities except Singapore; the assembly of imported motor vehicles is carried on in Manila, Jakarta, and Singapore. Industry relies largely on electric power, which is expensive because of the paucity of local coal supplies.

Small-scale industry is almost entirely in the hands of the Chinese; the larger undertakings are overwhelmingly European-owned, though there are some large Chinese industrial establishments. Only a small proportion of the inhabitants of the cities are engaged in industry: in Singapore, where industry is expanding rapidly, only 11 per cent of the adult working population were employed in industrial establishments in the census of 1947. This unduly low figure does not take account of the large employment in the establishments of the Armed Services, much of which was industrial.

The industrial areas lie close to the port or along the rivers and canals. They are surrounded by areas of high population density; for the relatively high cost and limited availability of public transport operate to retard the divorce of place of work and residence, which is so conspicuous a feature of the Western city. Newer industrial areas, however, are appearing on the margins of the cities, and as the range of industrial activity grows, industry is likely to become more widely dispersed.

POPULATION

All the five cities would have probably reached the one-million level in a comparatively short period if the war had not intervened. During the Japanese occupation, population decreased in the cities because of the shortage of food, and the wartime dislocation that elsewhere in Asia resulted in a large influx of rural dwellers into the cities did not operate here. With the end of the war the tide set strongly in the opposite direction. The breakdown of effective administration in many parts of Southeast Asia following the Japanese surrender, armed insurrections against the central governments, the struggle for independence, the depredations of extreme